



Eric M. Hocky
Direct Dial 215 640 8523
Email: ehocky@thorpreed.com

229435

ATTORNEYS AT LAW SINCE 1895

VIA E-FILE

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

May 3, 2011

ENTERED
Office of Proceedings

MAY 3 - 2011

Part of
Public Record

Re: Delta Southern Railroad, Inc. - Abandonment Exemption -
In Desha and Chicot Counties, Arkansas
STB Docket No. AB-384 (Sub-No. 3X)
Joint Offer of Financial Assistance

Dear Ms. Brown:

Please be advised that Lake Providence Port Commission (the "Port Commission") and Arkansas Shortline Railroads, Inc. ("ASR") as guarantor for its wholly owned subsidiary North Louisiana & Arkansas Railroad, Inc. ("Offerors"), and Delta Southern Railroad, Inc. ("DSR") have reached agreement on the terms of the offer of financial assistance for the purchase of the rail line that is the subject of this proceeding which will result in continued rail service. The parties are finalizing the agreement under which the line will be purchased at a price of \$35,000 per mile, a total of \$843,500 for the 24.1 mile line. The agreement also covers the purchase of other assets, including the line which is the subject of the abandonment proceeding in AB-384 (Sub-No. 2X), and includes other terms and conditions as well. The line will be operated by North Louisiana & Arkansas Railroad, Inc. Closing shall take place promptly after the Board authorizes the sale in this proceeding and in AB-384 (Sub-No. 2X) AB-384 (Sub-No. 2X), and authorizes related trackage rights being granted. (The Port Commission expects to file its offer of financial assistance in that proceeding by Monday, May 9, 2011.)

Offerors request that the Board approve the transfer of the lines to the Offerors, and the operation of the lines by North Louisiana & Arkansas Railroad, Inc., postpone the effective date of the abandonment until the transaction is consummated, and dismiss the abandonment of the lines upon consummation of the transaction.

Counsel for DSR and ASR have authorized the undersigned to represent that they join in this notice that agreement on the terms of the offer of financial assistance for the purchase of the rail line, and in the requests of the Board related thereto.

Eric M. Hocky

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Thorpe Reed & Armstrong, LLP

One Commerce Square

200 North Main Street

St. Louis, MO 63102

Telephone: (314) 491-1000

215.640.8523

215.640.9101 Fax



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Please let me know if there are any questions regarding this filing.

Respectfully,

Eric M. Hocky

*Counsel for Lake Providence Port
Commission*

EMH/e

cc: Thomas F. McFarland, Esq. (via email)
Richard H. Streeter, Esq. (via email)